

Saskatchewan Milk Control Board



Update

December 15, 2009

CHAIRMAN'S MESSAGE – BLAINE McLEOD

Seasons' Greetings to all!

As the holiday season approaches and we look forward to a New Year, it is a time for reflecting on the past year's goals and achievements as well as the anticipation of what lies ahead. We continue to face and meet the ongoing challenges of merging the functions of the Milk Control Board and Dairy Farmers of Saskatchewan, and are committed to implementing the plan approved by the producers in the province. We will keep producers updated as to the progress of developments in this regard.

Christmas is a time for sharing and creating special memories with family and friends. From my family to yours, and on behalf of the Board members and staff, may I wish each and every one of you a very Merry Christmas and good health and prosperity in the New Year.

RAW MILK TESTING

At producer meetings this fall, producers were advised that the Milk Control Board received legal authority from the Minister of Agriculture to direct the activities for raw milk testing in Saskatchewan. As a part of this appointment of legal authority, the Minister advised the Board that the Ministry of Agriculture would reimburse the Board for the costs associated with the operation of the Provincial Dairy Lab until the activities are permanently and legally transferred to the dairy industry. The Minister also requested that the Board review current raw milk testing costs and implement changes to improve the efficiency of these functions if justified.

The Board reviewed the raw milk testing activities and determined that there is not sufficient available capital to invest in the equipment required to modernize the Saskatchewan lab.

Testing proposals were sought from the CanWest DHI lab in Edmonton and the lab owned by Dairy Farmers of Manitoba in Winnipeg. Each lab was asked to submit pricing proposals based on the tests that are currently conducted on raw milk samples in Saskatchewan.

After reviewing the proposals, it was determined that the CanWest DHI was able to provide services to meet Saskatchewan's needs at the lowest cost. The CanWest DHI proposal will reduce the costs of raw milk testing in Saskatchewan by approximately two-thirds.

As a result of this, the three laboratory technologists that currently provide Saskatchewan's raw milk testing services have received lay-off notices. Dawn Ridgway, Les Pratt, and Dianne Morin have all provided long-term service to the Saskatchewan dairy industry and are owed thanks for their years of service. The Board will work closely with these individuals to assist them in finding alternative employment. The role of the Provincial Dairy Specialist will remain unchanged because the regulatory enforcement services, which are the primary function of this position, are still required.

Effective January 2010, all Saskatchewan raw milk samples will be tested in the CanWest DHI lab in Edmonton. There are no changes being made to the types of tests being conducted, and the Board will receive the results of the tests in a timely manner so that there will be no reduction in services that are currently provided to Saskatchewan producers.

QUOTA EXCHANGE

The market-clearing price established for the December, 2009 Quota Exchange was **\$29,400.00**. The results of the Quota Exchange are outlined in the following Table.

The next Quota Exchange will be held on January 15, 2010. All offers to sell and bids to purchase quota through the Quota Exchange must be received at the Board office by midnight, January 6, 2010. The Board recommends that offers and bids be submitted well in advance of the deadline date to ensure adequate time for corrections, if necessary.

Just a reminder to producers that when making bids on the Quota Exchange, the price on offers to sell quota is the minimum price that the producer is prepared to accept for that quota. Only if the market-clearing price is equal to or greater than the producer's minimum price will that producer qualify for participation in the Exchange.

Conversely, the price on offers to purchase quota is the maximum price that the producer is prepared to pay for that quota. **Only if the market-clearing price is equal to or less than the producer's maximum price will that producer qualify for participation in the Exchange.** The clearing price is set at the price where the smallest difference exists between the accumulated volume offered for sale and the accumulated volume bid to purchase.

QUOTA EXCHANGE (per kilogram of butterfat)

Market Clearing Price per kilogram of butterfat	\$29,400.00
Daily Kilograms offered to Purchase	72.29
Kilograms offered to Sell	48.94
Kilograms sold	20.33
Number of Producers	
- offered to purchase	12
- purchased quota	6
- offered to sell	11
- sold quota	5

QUOTA EXCHANGE

Price (\$/daily kg b.f.)	No. of Sellers	Cumulative Sellers	Daily Kgs b.f. offered for sale	Cumulative sales	Cumulative Sales less Cumulative purchases	Cumulative purchases	Daily Kgs b.f. offered to purchase	Cumulative Buyers	No. of buyers
24,730	0	0	0	0	-72.29	72.29	28.00	12	1
25,550	0	0	0	0	-44.29	44.29	7.48	11	2
27,375	0	0	0	0	-36.81	36.81	5.48	9	1
28,105	0	0	0	0	-31.33	31.33	1.00	8	1
28,605	0	0	0	0	-30.33	30.33	10.00	7	1
29,000	1	1	2.84	2.84	-17.49	20.33	0	6	0
29,200	1	2	7.00	9.84	-10.49	20.33	0	6	0
29,300	1	3	3.00	12.84	-7.49	20.33	0	6	0
29,400	2	5	11.80	24.64	4.31	20.33	0	6	0
29,500	1	6	8.00	32.64	12.31	20.33	0	6	0
29,565	0	6	0	32.64	12.31	20.33	10.74	6	3
29,930	0	6	0	32.64	23.05	9.59	5.48	3	1
30,000	1	7	3.20	35.84	31.73	4.11	0	2	0
30,295	0	7	0	35.84	31.73	4.11	1.37	2	1
31,025	0	7	0	35.84	33.10	2.74	2.74	1	1
31,200	2	9	6.10	41.94	41.94	0	0	0	0
32,000	2	11	7.00	48.94	48.94	0	0	0	0

How to Buy or Sell Daily Quota on the Exchange

With the change from annual quota to a daily quota, there are some changes to submitting bids on the Quota Exchange. There are two steps to convert your bid, whether buying or selling, from annual to daily quota.

For the purposes of this example, an annual quota bid of 3,000 kgs of butterfat at \$60.00/kg will be converted to a daily quota bid.

Step 1: Convert annual kgs of butterfat to daily kgs of butterfat.

$$3,000 \text{ kgs} \div 365 = 8.22 \text{ kgs/day}$$

(Daily Quota is calculated up to 2 decimal places)

Step 2: Convert bid to dollars per kg per day

$$\$60 \times 365 = \$21,900.00$$

Therefore, the bid, whether buying or selling would be:

- 8.22 kgs/day at the price of \$21,900

to obtain an equivalent bid of 3,000 kgs at \$60/kg under the annual quota policy.

The monetary value of this bid would be:

$$8.22 \text{ kgs/day} \times \$21,900/\text{kg} = \$180,018$$

PRODUCER TRANSFER CREDIT LIST

The Board will be maintaining a Producer Transfer Credit list to assist producers in transferring credits (in or out) with another producer.

Producers wanting to transfer credits (in or out) with another producer can contact the Board to have their name added to the Board's Producer Transfer Credit List. This list is posted on the Board website and is also available by weekly email or upon request by fax, email, or regular mail. The Board will also enclose the list with the monthly newsletter.

The transfer credit list will be updated on a daily basis as requests come into the office. Posting will be dated and kept on the list for two months. It is up to the producer to contact the Board to repost their name after the two month period is up, or to have their name removed from the list if it is no longer required. Producers may contact the Board at 787-5319 or 787-6457 for additional assistance.

TRANSFER CREDIT SUMMARY REPORT

MONTH	# OF PRODUCERS TRANSFER IN	# OF PRODUCERS TRANSFER OUT	TOTAL KGS BUTTERFAT
August 2009	1	1	422
September	16	14	16,407
October	13	13	13,416
November	19	19	26,752

SUMMARY REPORT OF CREDITS AS OF November 30, 2009 – 199 PRODUCERS

POSITIVE CREDITS ACCUMULATED (KGS OF BUTTERFAT)	# OF PRODUCERS	DAYS
43,643.20	55	+ 5 to +10
21,694.48	56	0 to +5
65,337.68	111	TOTAL
NEGATIVE CREDITS ACCUMULATED (KGS OF BUTTERFAT)	# OF PRODUCERS	DAYS
0	0	-25 to -30
-12,217.84	6	-20 to -25
-23,445.85	11	-15 to -20
-12,242.07	10	-10 to -15
-15,756.79	22	-5 to -10
-9,186.84	39	0 to -5
-72,849.38	88	TOTAL

OVER QUOTA (OVER 10 DAYS) REPORT BY MONTH

MONTH	# OF PRODUCERS	BUTTERFAT
August 2009	5	588.48
September	7	922.57
October	13	4,466.11
November	13	2,682.50

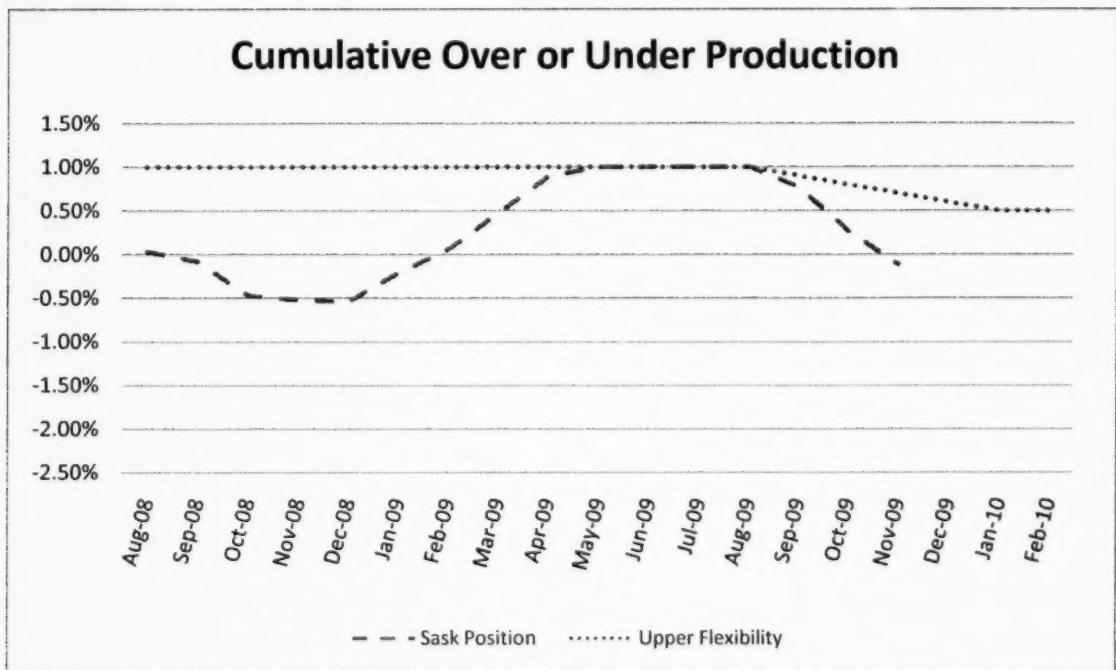
WEIGHTED AVERAGE COMPONENT TESTS & PRICES November 2009

Components	Average Test	Price per kilogram Class 1 to 5
Butterfat	3.8747	\$11.536038
Protein	3.4149	\$ 8.536038
Other Solids	5.6677	\$ 1.285821

Based on the average component tests for the province, the average price received was \$81.1318 per hectolitre. The average butterfat price received per kilogram was \$20.94.

SASKATCHEWAN MILK POOL RESULTS November 2009

Milk Sale Revenue	\$ 14,040,255.29
Truck Seal/Pickup Slip book	\$ - 14,007.81
Western Milk Pool	\$ 306,062.41
Dairy Farmers of Canada Skim Off	\$ -19,037.12
Plant of Last Resort Service	\$ -55,508.97
Audit Adjustment	\$ <u>151,210.52</u>
Total Pool Value	\$ 14,408,974.32



In November, Saskatchewan had a monthly CDC allocation of **723,574 kilograms** of butterfat. In the month of November, Saskatchewan is **-32,832 kilograms** of butterfat **under**, and cumulatively **under** by **-9,292 kilograms** of butterfat. On a percentage basis, Saskatchewan is at **-0.11%** within our CDC allocation flexibility limits based on the Continuous Quota model.

	(1) Monthly Total Production Kgs bf	(2) Total Monthly CDC Quota Allocation Kgs bf	(3) Monthly Over or (Under) Production Kgs bf	(4) Lower Flexibility Limit (1.5%) col. 1 - 2 = 3	(5) Upper Flexibility Limit 1.0% col. 9 * -1.5%	(6) Cumulative Over or (Under) Production with limits Kgs bf	(7) Cumulative Over or (Under) Production with limits in % col. 6 / 9	(8) Over Quota or (Lost Production Opportunity) Kgs bf	(9) Rolling 12 Month Total Quota Kgs bf
Dec-08	768,375	770,027	(1,651)	(130,900)	87,267	(47,071)	(0.54%)	-	8,726,661
Jan-09	776,069	747,647	28,422	(130,950)	87,300	(18,648)	(0.21%)	-	8,729,971
Feb-09	696,788	673,298	23,491	(130,537)	87,025	4,842	0.06%	-	8,702,483
Mar-09	780,327	744,392	35,935	(130,534)	87,022	40,777	0.47%	-	8,702,246
Apr-09	743,837	707,299	36,538	(130,272)	86,848	77,315	0.89%	-	8,684,788
May-09	764,294	733,212	31,082	(130,197)	86,798	86,798	1.00%	21,599	8,679,813
Jun-09	717,102	725,295	25,389	(130,214)	86,809	86,809	1.00%	25,378	8,680,919
Jul-09	712,229	708,281	3,948	(130,318)	86,879	86,879	1.00%	3,878	8,687,893
Aug-09	714,200	703,553	10,646	(130,198)	86,799	86,799	1.00%	10,727	8,679,854
Sep-09	682,235	702,484	(20,249)	(130,044)	78,026	66,550	0.77%	-	8,669,604
Oct-09	707,240	750,251	(43,010)	(129,817)	69,235	23,540	0.27%	-	8,654,437
Nov-09	690,742	723,574	(32,832)	(129,717)	60,535	-9,292	-0.11%	-	8,647,812

- (1) Monthly Production in Saskatchewan
- (2) Total Monthly Quota = Class 1 sales + Monthly MSQ + Carry Forward
- (3) Difference between the monthly production (1) and the total monthly quota (2)
- (4) The Lower Flexibility Limit is -1.5% of Rolling 12 Month Total Quota (9)
- (5) The Upper Flexibility Limit is 1.0% of Rolling 12 Month Total Quota (9)
- (6) Previous Month Cumulative Over or (Under) Production + Current Monthly Over or (Under) Production (capped at lower or upper limit if applicable)
- (7) Equal to Column (6) expressed as a percentage basis within the flexibility limits
- (8) Over Quota or (Lost production opportunity) outside of flexibility limits
- (9) Total Monthly CDC Quota Allocation for the previous 12 months

ACCOUNTING VALUES FOR CLASSES OF MILK December 2009

	Butterfat (\$/kg)	(\$ per hl. Skim milk)	
Class 1a	\$5.3000	\$68.10	
Class 1b	\$5.3000	\$68.10	
Class 1c	As approved by the Board		
	Butterfat (\$/kg)	Protein (\$/kg)	Other Solids (\$/kg)
Class 2	\$7.5339	\$5.6447	\$5.6447
Class 3a	\$7.5339	\$13.1864	\$0.8940
Class 3b	\$7.5339	\$12.9337	\$0.8780
Class 4a, 4b, 4d & 4d(1)	\$7.5339	\$5.2463	\$5.2463
Class 4a(1)	\$7.5339	\$2.20	\$2.20
Class 4c	As approved by the Board		
Class 4m	\$0.00	\$0.00	\$0.00
Class 5a	\$2.9636	\$5.6227	\$0.2947
Class 5b	\$2.9636	\$1.9782	\$1.9782
Class 5c	\$3.5947	\$1.9782	\$1.9782
Class 5d	As determined by the CDC		

HAULAGE RATE INCREASE

The Milk Control Board and Agrifoods conducted their annual transportation review meeting as per the Milk Transportation Agreement, to review transportation costs for the past year. As a result of overall cost increases, Agrifoods has requested and been granted a rate increase to the Provincial Pooled Haulage Rate.

As a result, there will be a \$0.12/hl. adjustment to the Provincial Pooled Haulage rate, to be applied in increments of \$0.04/hl. over a three month period beginning in November, 2009.

QUOTA LISTING SERVICE

The Board offers a free quota listing service as part of its Newsletter. Anyone wishing to sell or purchase quota and/or cows or miscellaneous dairy equipment is welcome to contact the Board office at (306) 787-5319. All prices and negotiations will be independent of the Milk Control Board.

Wanted – Quota & Cows to Purchase

- Wanted – quota to purchase – 20,000 kilograms. Contact Diamond Holsteins, Howard Huizing (306) 380-9336
- Wanted – cows and quota – Contact Don (306) 270-4700

- Wanted – Dairy Cows or Bred Heifers. Call anytime/leave message (604) 855-2731 or (306) 867-2176

Quota &/or Cows for Sale

- Cows and quota (approximately 32,000 kgs) by August 1st. Please contact Robert or Kim McCubbing @ Holstein Haven Ltd. Phone (306) 228-2921 or (306) 228-3846 or Cell (306) 228-8598.
- For Sale: Cows and quota. 28,320 yearly kilograms of butterfat. Call Joe Klassen (306) 774-7627, or Phil Klassen (306) 774-8289.
- For sale: Dairy farm 20 minutes from Saskatoon. Approximately 10,600 kilograms quota (selling with or without farm); 72 cows and heifers; 160 acres, excellent water; 48' x 125' free stall barn; 48 free stalls with pasture Mat's; Houle cable barn cleaner and manure pump; Westfalia Single 8 Magnum Parlour. Phone (306) 280-6408.
- Two breeding age bulls for sale. Contact Ernest Friesen at (306) 931-1947 or (306) 260-9480.
- For sale – 10 milk cows. Phone Chad (306) 598-2054
- Quota for sale. Approximately 32,000 kilograms. Contact Dan Hazell @ Glenacre Holsteins. Phone (306) 224-4850. Fax (306) 224-4909.
- Bred heifers for sale – contact Danny at Box Elder Colony – (403) 502-9997
- For sale: 8 registered Holstein heifers due September – December
For sale: 1 registered Holstein bull, 20 months old. Sire – Regancrest Dundee
Dam is a Comestar Stormatic with 246-230-235 BCA
Contact Lloyd Sawatsky (306) 239-4818

Miscellaneous For Sale

- All Large square bales: Flax (awesome for wind break); Canola straw and Greenfeed. Call Jake Boot (306) 867-9926 or (306) 867-3899.
- 70 Bales 2nd cut Alfalfa RFV 150; Prot. 19.2; TON 62.8; \$110/ton obo
Phone (306) 493-2482 Delisle, Saskatchewan
- 2nd cut alfalfa round bales, net wrap. Est. 1400 lbs.; Analysis available; Protein 19.76%.
Phone or fax (306) 228-3727; Unity, SK
- 6 quarters of hay/alfalfa available for long-term contract – you specify the preferred mix and handling. Ten minutes north of Estevan (306) 634-4382.

- 134 top quality 2nd cut alfalfa hay bales, very clean, all leaves intact. Call for more info. Taking offers (306) 276-2003 Nipawin
- 450 Acres Greenfeed barley for sale in Bellevue area (63 day barley seeded July 5). Fields are clean. Can sell standing or baled. Taking offers. Contact Andy Grenier at Home: (306) 423-5682 or Cell: (306) 233-7835.
- - 95 DeBoer super comfort stall dividers - \$30 each
 - Houle manure scraper - \$5,000
 - *hydraulic 3 HP electric unit
 - *4 tilting scrapers (4 cylinders)
 - *Automat control panel
 - *496' track infloor
 - manure dumplids 4' x 8' - \$400 each
 - 1 - 2,000 imp. gal poly water tank - \$500
 - 2 - 1,000 imp. gal. poly water tanks - \$350 each
 - 4 - 8' tip troughs - \$250 each
 - 160 cozy cow mattresses 64" - \$25 each c/w heavy duty cover
 - various swing gates 4 and 5 bar, 10 to 14 ft.
- Call Frans @ (306) 826-5776 – home or (306) 823-7262 - Cell
- Like new Knight Reel – Auggie 3250 Stationary Feed Mixer with 15' Conveyer & Electronic Scale – Phone (306) 280-6408
- Dairy Quality Hay 4 Sale – delivered. Contact Dale @ (204) 638-5581. Dauphin, Manitoba.
- 2000 U.S. Gallon Alfa-Laval Milk Tank with cooling condensers and compressors. Contact Ferch Farms (306) 736-2205.
- Dairy Equipment for Sale: 1 18" x 10' belt conveyor; 6 Waikato milk meters; 6 Delaval milk machines with vacuum pulsators; Delaval vacuum pump with 7.5 hp motor. Contact Lloyd Sawatzky, Saskatoon, SK Phone (306) 239-4818. Cell (306) 281-2247.
- Renn 10hp Roller mill; Conveyors, 2-14 ft x 18 inch, 1-42 ft x 18 inch; 2 – 6 inch electric augers, 10 & 14ft; Harvestore, Goliath and Hercules unloaders; Alamo 100 vacuum pump; Surge Eclipse milking units and retractors. Contact: Leonard Blocka (306) 764-8439 or cell (306) 960-6608.
- 16 Waikato milk meters \$250 each; 5,000 gallon new Delaval bulk tank, made in U.S.A. \$50,000. Contact Corman Holsteins (306) 933-4608
- 2002 Tubeline Bale Wrapper and a dismantled 25/90 Harvestorg Silo. Call David Slykhuis @ (306) 453-2878 in Carlyle, SK
- 2000 gallon Delaval tank. Call James Hein (306) 365-3209

Wanted to Buy

- Used Ration Master II Processor (used for feed stations)
Contact Margaret at (306) 782-7240.

Continuous Quota FAQs

Following the round of Continuous Daily Quota Seminars, a list has been compiled of the questions most frequently asked by producers.

Will my credit position change on August 1, 2010 if I was in a pre-fill position with 4m dollars being withheld and do not achieve a cumulative credit position of 0 days or less by July 31, 2010, thereby forfeiting those 4m dollars?

No, your credit position will not change; you will still be responsible for dealing with your positive credits.

What is the deadline for transferring negative credits if I exit the industry?

Producers who exit the industry will have the opportunity to transfer negative credits to other producers for a period of two months.

For example, if a producer exits the industry effective September 1st, that producer will have the opportunity to transfer any negative credits for the months of September and October. Any credits not transferred after that date will be lost. The deadline for transferring credits is the 20th of each month, therefore the deadline to transfer credits to another producer would be October 20th.

If my TPQ is reduced, either through a quota sale or quota reduction, and this causes me to exceed the +10 days cumulative position, what happens?

If a producer exceeds the +10 day limit as a direct result of a reduction in TPQ, that producer's TPQ will be capped at +10 days. No penalty will be assigned for exceeding the +10 day limit under this circumstance, however overproduction in the future will be penalized.

Are positive credit transfers permitted in farm splits?

No, positive credits cannot be transferred to another farm under any circumstance.

What happens to my negative credits that I have accumulated if I exit the industry (sell out)? What if I stop shipping milk before the quota transfer date?

When selling out, your daily quota (TPQ) is transferred to the purchasing producer using the Quota Transfer Form. Accumulated negative transfer credits are transferred using the Transfer Credit Form and may or may not be transferred to the producer purchasing your daily quota depending on the deal that you have struck. The Board will calculate the final available negative credits accumulated.

Should a producer cease shipments at least one full calendar month prior to the quota transfer date, that producer may transfer 95% of the estimated negative transfer credits that would accumulate in the month that no milk was shipped for an effective date of the first of the same month. The final available negative credits, the remaining 5%, that would have accumulated prior to the transfer date will be calculated by the Board and be available for transfer.

For example, if a producer ceases shipping milk on August 31st with an effective sale date of October 1st, 95% of the estimated negative credits that will be accumulated in the month of September may be transferred for a September 1st effective date. In early October, the Board will calculate the final negative credit total and those negative credits may be transferred to another producer at that time.

If I ship less than 100 % of my quota as of July 31, 2009, will I start in a negative credit position August 1, 2009?

No, producers shipping 100% or less as of July 31, 2009, will start at zero credits August 1, 2009. This would be the case whether Saskatchewan moved to Continuous Daily Quota or not.

If I ship greater than 100 % of my quota as of July 31, 2009 how will I start August 1, 2009?

Saskatchewan will be in a prefill position as of August 1, 2009. Producers shipping greater than 100 % of their quota as of July 31, 2009 will be in prefill and will start with positive kgs of butterfat credits or positive credit days equivalent to their pro-rata portion of the over quota. This would be the case whether Saskatchewan moved to Continuous Daily Quota or not.

If I am in prefill August 1, 2009 how can I get my 4M dollars back?

The following condition must be met to get back the 4M dollars held by the Board:

When July 31, 2010 production is reconciled, a producer must be at or below zero cumulative kgs of bfat. If a producer is still at positive credits or positive credit days, **no 4M dollars will be refunded.** These dollars will be added into the September, 2010 month-end pool and paid out October 15, 2010. All producers will share in these dollars.

It does not matter if a producer is at or below zero kgs of butterfat during any of the months throughout the year. **The day of reconciliation is based on August 1, 2009 to July 31, 2010 production.**

If Saskatchewan had been in a prefill situation before the change to Continuous Daily Quota this would also have been the case.

What can I do to get down to zero positive credits or credit days?

Producers have a number of options they can use to get their quota position back in line. They can transfer in credits, buy quota, decrease the number of cows being milked, etc.

What happens to my 4M dollars if I leave the industry before July 31, 2010?

If a producer who is in prefill leaves the industry before July 31, 2010, **they will forfeit all 4M dollars held by the Board**. The 4M dollars will go into the September 2010 month-end pool and all producers will share in those dollars.

The 4M Dollars held by the Board will only be refunded back to producers in prefill who meet the zero or less cumulative position for the July 31, 2010 reconciliation.

What happens if I start August 1, 2009 with at or greater than +10 days?

A producer starting in prefill at or greater than +10 days will only receive payment for their in-quota production.

For example: 100 kgs of bfat is the producers' daily quota. The pickups are based on 30 days, so the producers' in-quota monthly allocation is 3,000 kgs of butterfat. The producer ships 3,500 kgs of butterfat. The producer will receive payment for 3,000 kgs of butterfat and 500 kgs of butterfat will be over quota (over the +10 day limit). There is no 4M as of August 1, 2009. The value of that milk will be put back into the month-end pool and all producers will receive a higher blend price.

The producer will never have the ability to recoup that over quota production and all deductions for the over quota milk will be applied MCB fees, DFS levy, and haulage.

Any producer whether in prefill or not that exceeds the +10 credit days will receive **ZERO PAYMENT** and all deductions for the over quota milk will be applied, MCB fees, DFS levy and haulage.

What happens if I start August 1, 2009 with some prefill days but not exceeding the +10 day limit?

A producer starting August 1, 2009 with some prefill days but not exceeding the +10 day limit still has flexibility before they are over quota.

For example: A producer starting in prefill at +7 days has 3 days flexibility before they are over quota. If 100 kgs of butterfat is your daily quota, and your pickups are based on 30 days, then your in-quota monthly allocation is 3,000 kgs of butterfat. If you ship 3,200 kgs of butterfat, you will receive payment for 3,000 kgs of butterfat based on in-quota, 200 kgs of butterfat will also receive full payment because 3 days or 300 kgs of butterfat of flexibility still exists. You would have 1 credit day remaining or put another way you would be at +9 credit days.

When can I get transfer credits?

There will be no transfer credits available in August 2009, because no producer will have accumulated any. The earliest a producer will be able to find credits will be September 2009.

What is the deadline for transfer credits?

The transfer credit deadline for any month is by midnight of the 20th. For example any transfer credit forms in the Board Office on or before midnight of October 20th will be effective October 1st.

Where can I find producers wanting to transfer credits?

The Board will maintain a web page with producers wanting to transfer credits in or out. It will be updated on a daily basis as requests come into the office. Producers who do not have internet access can call the Board and have the information faxed to them.

Producers wanting their name posted on the web page can contact the Board. Postings will be dated and kept on the website for 2 months. It is up to the producer to have their name reposted after the 2 months or removed if they fill their requirement before the 2 month period is up.

What is the maximum amount of transfer credits that I can transfer out in a month?

The maximum transfer credits a producer can transfer out in a month are equal to what the producer's cumulative under position was in the previous month. You can only transfer out to a cumulative position of zero credits.

The maximum a producer can transfer out in a rolling 12 month period is 15%.

What is the maximum amount of transfer credits that I can transfer in?

There is no limit to the amount of credits that can be transferred in a rolling 12 month period. The only limit when transferring in credits would be to not drop below the -30 credit day limit at the end of each month or you will have lost the opportunity to carry-forward those credits to produce that milk in the future.

When will we know if Incentive Day Credits are available?

The Board will do its best to give producers as much notice as possible when incentive day credits are going to be available.

If the province is over quota as of July 31, 2010 will I still get all my 4M dollars back if I am at zero credits or credit days?

Yes.

MILK CONTROL BOARD MEMBERS

Blaine McLeod - Chairman	Dairy Producer - (306) 756-2775
Dale Strudwick - Vice-Chair	Dairy producer - (306) 771-4186
Alvin Schultz - member	Dairy producer - (306) 254-4301
Dr. Bob Tyler - member	Professor - Dept. of Food & Bioproduct Sciences, University of Saskatchewan, Saskatoon

For further information, please contact the Saskatchewan Milk Control Board office.

1210-2500 Victoria Avenue Telephone (306) 787-5319

Regina, Saskatchewan S4P 3X2 Fax: (306) 787-1988

Website: www.smcb.ca email: info@smcb.ca

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CHRISTMAS & NEW YEAR OFFICE HOURS

Over the holiday season, the office will be closed December 25, December 28 and January 1st to observe Christmas Day, Boxing Day and New Year's Day. On December 24 and December 31st the office will be closed after 2:00 p.m.

MERRY CHRISTMAS & HAPPY NEW YEAR



